

## Contents

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### Company Data

Capital Ownership	1
-------------------	---

### Individual Financial Statements

Balance Sheet - Assets	2
------------------------	---

Balance Sheet - Liabilities	3
-----------------------------	---

Statement of Income	4
---------------------	---

Statement of Comprehensive Income	5
-----------------------------------	---

Cash Flow Statement	6
---------------------	---

#### Statement of Changes in Equity

SCE - 01/01/2016 to 09/30/2016	7
--------------------------------	---

SCE - 01/01/2015 to 09/30/2015	8
--------------------------------	---

Value Added Statement	9
-----------------------	---

### Consolidated Financial Statements

Balance Sheet - Assets	10
------------------------	----

Balance Sheet - Liabilities	11
-----------------------------	----

Statement of Income	12
---------------------	----

Statement of Comprehensive Income	13
-----------------------------------	----

Cash Flow Statement	14
---------------------	----

#### Statement of Changes in Equity

SCE - 01/01/2016 to 09/30/2016	15
--------------------------------	----

SCE - 01/01/2015 to 09/30/2015	16
--------------------------------	----

Value Added Statement	17
-----------------------	----

Management's comments on company performance	18
--	----

Notes to the Financial Information	24
------------------------------------	----

Other Relevant Company Information	39
------------------------------------	----

#### Reports and Statements

Unqualified Special Review Report	41
-----------------------------------	----

Fiscal Council's Report	42
-------------------------	----

Officers' Statement on the Financial Statements	43
---	----

Officers' Statements on the Independent Auditor's Report	44
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**Company Data / Capital Ownership**

<b>Number of Shares (thousand)</b>	<b>Current Quarter 09/30/2016</b>
<b>Paid-In Capital</b>	
<b>Common Shares</b>	122,523
<b>Preferred Shares</b>	227,025
<b>Total</b>	349,548
<b>Treasury Shares</b>	
<b>Common Shares</b>	352
<b>Preferred Shares</b>	1,162
<b>Total</b>	1,514

**Individual Financial Statements / Statement of Financial Position - Assets****(R\$ thousand)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 09/30/2016</b>	<b>Previous Fiscal Year 12/31/2015</b>
1	Total Assets	9,708,939	9,459,492
1.01	Current Assets	23,544	32,558
1.01.01	Cash and Cash Equivalents	23,484	32,558
1.01.08	Other Current Assets	60	0
1.02	Non-Current Assets	9,685,395	9,426,934
1.02.01	Long-Term Assets	179,264	166,450
1.02.01.09	Other Non-Current Assets	179,264	166,450
1.02.01.09.04	Judicial Deposits	6,505	5,993
1.02.01.09.05	Recoverable Taxes	172,759	160,457
1.02.02	Investments	9,506,118	9,260,463
1.02.03	Property, Plant and Equipment	13	21

**Individual Financial Statements / Statement of Financial Position – Liabilities****(R\$ thousands)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 09/30/2016</b>	<b>Previous Fiscal Year 12/31/2015</b>
2	Total Liabilities	9,708,939	9,459,492
2.01	Current liabilities	29,780	30,665
2.01.03	Tax Liabilities	122	93
2.01.05	Other Liabilities	29,658	30,572
2.01.05.02	Other	29,658	30,572
2.01.05.02.01	Dividends and Interest on Equity Payable	3,158	3,785
2.01.05.02.05	Other Liabilities	26,500	26,787
2.02	Non-Current Liabilities	1,675,621	1,511,634
2.02.01	Loans and Financing	1,496,808	1,347,692
2.02.01.02	Debentures	1,496,808	1,347,692
2.02.02	Other Liabilities	140,834	127,542
2.02.02.02	Other	140,834	127,542
2.02.04	Provision	37,979	36,400
2.03	Shareholders' Equity	8,003,538	7,917,193
2.03.01	Paid-Up Share Capital	4,100,000	4,100,000
2.03.04	Profit Reserves	-110	-110
2.03.04.01	Legal Reserve	20,200	20,200
2.03.04.09	Treasury Shares	-20,310	-20,310
2.03.05	Retained Earnings/Losses	576,197	0
2.03.06	Equity Valuation Adjustments	3,327,451	3,817,303

**Individual Financial Statements / Statement of Income (R\$ thousands)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 07/01/2016 to 09/30/2016</b>	<b>Current Fiscal Year Accrual 01/01/2016 to 09/30/2016</b>	<b>Same Quarter Previous Year 07/01/2016 to 09/30/2015</b>	<b>Previous Fiscal Year Accrual 01/01/2015 to 09/30/2015</b>
3.04	Operating Income / Expenses	112,979	722,868	-239,003	-509,526
3.04.02	General and Administrative Expenses	-7,296	-11,751	-2,890	-6,396
3.04.05	Other Operating Expenses	-330	-888	-238	-15,769
3.04.05.01	Tax Expenses	-330	-888	-238	-15,769
3.04.06	Equity Income	120,605	735,507	-235,875	-487,361
3.05	Earnings before Financial Income Taxes	112,979	722,868	-239,003	-509,526
3.06	Financial Result	-52,592	-146,671	-40,930	-98.259
3.06.01	Financial Revenues	5,589	16,928	5,079	21,317
3.06.02	Financial Expenses	-58,181	-163,599	-46,009	-119,576
3.07	Earnings before Income Taxes	60,387	576,197	-279,933	-607,785
3.09	Net Income from Continued Operations	60,387	576,197	-279,933	-607,785
3.11	Income/Loss for the Period	60,387	576,197	-279,933	-607,785
3.99	Earnings per Share (BRL / Share)				
3.99.01	Primary Earnings per Share				
3.99.01.01	Common Shares	0.16222	1.54787	-0.75200	-1.63273
3.99.01.02	Preferred Shares	0.17844	1.70266	-0.82720	-1.79600
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Shares	0.16293	1.55468	-0.75531	-1.63991
3.99.02.02	Preferred Shares	0.17923	1.71015	-0.83084	-1.80390

**Individual Financial Statements / Statement of Comprehensive Income (R\$ thousands)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 07/01/2016 to 09/30/2016</b>	<b>Current Fiscal Year Accrual 01/01/2016 to 09/30/2016</b>	<b>Same Quarter of Previous Year 07/01/2015 to 09/30/2015</b>	<b>Previous Fiscal Year Accrual 01/01/2015 to 09/30/2015</b>
4.01	Profit for the Period	60,387	576,197	-279,933	-607,785
4.02	Other Comprehensive Income	169,257	-489,852	1,209,796	2,024,345
4.02.01	Unearned Income on Available-for-Sale Investments	127,032	331,034	-150,774	-104,909
4.02.02	Reflexes of Shared-Control Subsidiary	42,225	-820,886	1,360,570	2,129,254
4.03	Comprehensive Income for the Period	229,644	86,345	929,863	1,416,560

**Individual Financial Statements / Statement of Cash Flows – Indirect Method****(R\$ thousands)**

Account Code	Account Description	Current Fiscal Year	Previous Fiscal Year
		Accrual 01/01/2016 to 09/30/2016	Accrual 01/01/2015 to 09/30/2015
6.01	Net Cash from Operating Activities	-9,044	147,940
6.01.01	Cash from Operations	-8,227	-92,782
6.01.01.01	Net Earnings before Income Tax and Social Contribution	576,197	-607,785
6.01.01.02	Equity Income	-735,507	487,361
6.01.01.04	Monetary Variations and Interest, Net	150,308	31,600
6.01.01.05	Reversals / Legal Obligation Provisions	0	-4,055
6.01.01.06	Other	775	97
6.01.02	Changes in assets and liabilities	-817	240,772
6.01.02.01	(Increase) in Other Assets	-396	-795
6.01.02.02	Increase/(Decrease) in Other Liabilities	-421	89,400
6.01.02.03	Interest on Equity and Dividends Received	0	152,117
6.03	Net Cash from Financing Activities	-30	-198,022
6.03.01	Interest on Equity and Dividends Paid	-30	-195,520
6.03.03	Issuance of Debentures	0	1,258,322
6.03.04	Settlement of Debentures	0	-1,240,514
6.03.05	Acquisition of Treasury Shares	0	-20,310
6.05	Increase (Decrease) in Cash and Cash Equivalents	-9,074	-50,082
6.05.01	Opening Balance of Cash and Cash Equivalents	32,558	75,047
6.05.02	Closing Balance of Cash and Cash Equivalents	23,484	24,965

## Individual Financial Statements / Statement of Changes in Shareholders' Equity / SCE - 01/01/2016 to 09/30/2016

(R\$ thousands)

Account Code	Account Description	Paid Up Share Capital	Capital Options Granted and Treasury Shares	Reserves, Granted and Treasury Shares	Profit Reserves	Retained Earnings or Losses	Other Comprehensive Income	Shareholders' Equity
5.01	Opening Balances	4,100,000		-20,310	20,200	0	3,817,303	7,917,193
5.03	Adjusted Opening Balances	4,100,000		-20,310	20,200	0	3,817,303	7,917,193
5.05	Total Comprehensive Income	0		0	0	576,197	-489,852	86,345
5.05.01	Profit for the Period	0		0	0	576,197	0	576,197
5.05.02	Other Comprehensive Income	0		0	0	0	-489,852	-489,852
5.05.02.01	Financial Instrument Adjustments	0		0	0	0	331,034	331,034
5.05.02.03	Shareholders' Equity on Compr. Income Subsidiaries and Affiliates	0		0	0	0	-820,886	-820,886
5.07	Closing Balances	4,100,000		-20,310	20,200	576,197	3,327,451	8,003,538

**Individual Financial Statements / Statement of Changes in Shareholders' Equity / SCE - 1/1/2015 to 09/30/2015****(R\$ thousands)**

Account Code	Account Description	Paid Up Share Capital	Capital Options Granted and Treasury Shares	Reserves, Granted and	Profit Reserves	Retained Earnings or Losses	Other Comprehensive Income	Shareholders' Equity
5.01	Opening Balances	4,100,000		0	2,958,737	0	1,879,258	8,937,995
5.03	Adjusted Opening Balances	4,100,000		0	2,958,737	0	1,879,258	8,937,995
5.04	Capital Transactions with Shareholders	0		-20,310	0	-210,588	0	-230,898
5.04.04	Purchased Treasury Shares	0		-20,310	0	0	0	-20,310
5.04.06	Dividends	0		0	0	-81,588	0	-81,588
5.04.07	Interest on Equity	0		0	0	-129,000	0	-129,000
5.05	Total Comprehensive Income	0		0	0	-607,785	2,024,345	1,416,560
5.05.01	Profit for the Period	0		0	0	-607,785	0	-607,785
5.05.02	Other Comprehensive Income	0		0	0	0	2,024,345	2,024,345
5.05.02.01	Financial Instrument Adjustments	0		0	0	0	-104,909	-104,909
5.05.02.03	Shareholders' Equity on Compr. Income Subsidiaries and Affiliates	0		0	0	0	2,129,254	2,129,254
5.07	Closing Balances	4,100,000		-20,310	2,958,737	-818,373	3,903,603	10,123,657

**Individual Financial Statements / Statement of Value Added****(R\$ thousands)**

Account Code	Account Description	Current Fiscal Year	Previous Fiscal Year
		Accrual	Accrual
		01/01/2016 to 09/30/2016	01/01/2015 to 09/30/2015
7.02	Inputs Acquired from Third Parties	-3,503	-3,541
7.02.02	Materials, Electricity, Outsourced Services and Others	-2,494	-2,676
7.02.04	Other	-1,009	-865
7.03	Gross Value Added	-3,503	-3,541
7.05	Net Value Added Produced	-3,503	-3,541
7.06	Value Added Received in Transfers	752,435	-466,044
7.06.01	Equity Income	735,507	-487,361
7.06.02	Financial Revenues	16,928	21,317
7.07	Total Value Added Distributable	748,932	-469,585
7.08	Value Added Distribution	748,932	-469,585
7.08.01	Personnel	2,703	2,346
7.08.02	Taxes, Fees and Contributions	6,306	16,161
7.08.03	Return on Third-Party Equity	163,726	119,693
7.08.04	Return on Equity	576,197	-607,785
7.08.04.01	Interest on Equity	0	129,000
7.08.04.02	Dividends	0	81,588
7.08.04.03	Retained Earnings/Losses for the Period	576,197	-818,373

**Consolidated Financial Statements / Balance Sheet Assets****(R\$ thousands)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 09/30/2016</b>	<b>Previous Fiscal Year 12/31/2015</b>
1	Total Assets	10,106,421	9,694,451
1.01	Current Assets	398,536	377,977
1.01.01	Cash and Cash Equivalents	398,476	377,977
1.01.08	Other Current Assets	60	0
1.02	Non-Current Assets	9,707,885	9,316,474
1.02.01	Long-Term Assets	1,483,096	964,995
1.02.01.01	Financial Investments Measured at Fair Value	1,293,300	791,734
1.02.01.01.02	Available-for-Sale Securities	1,293,300	791,734
1.02.01.09	Other Non-Current Assets	189,796	173,261
1.02.01.09.04	Judicial Deposits	6,505	5,993
1.02.01.09.05	Recoverable Taxes	183,291	167,268
1.02.02	Investments	8,224,776	8,351,458
1.02.03	Property, Plant and Equipment	13	21

**Consolidated Financial Statements / Balance Sheet Liabilities****(R\$ thousands)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 09/30/2016</b>	<b>Previous Fiscal Year 12/31/2015</b>
2	Total Liabilities	10,106,421	9,694,451
2.01	Current liabilities	38,687	34,290
2.01.03	Tax Liabilities	9,029	3,718
2.01.05	Other Liabilities	29,658	30,572
2.01.05.02	Other	29,658	30,572
2.01.05.02.01	Dividends and Interest on Equity Payable	3,158	3,785
2.01.05.02.04	Other Liabilities	26,500	26,787
2.02	Non-Current Liabilities	2,064,196	1,742,968
2.02.01	Loans and Financing	1,496,808	1,347,692
2.02.01.02	Debentures	1,496,808	1,347,692
2.02.02	Other Liabilities	529,409	358,876
2.02.02.02	Other	529,409	358,876
2.02.02.02.03	Income Tax and Social Contribution	529,409	358,876
2.02.04	Provision	37,979	36,400
2.03	Consolidated Shareholders' Equity	8,003,538	7,917,193
2.03.01	Paid-Up Share Capital	4,100,000	4,100,000
2.03.04	Profit Reserves	-110	-110
2.03.04.01	Legal Reserve	20,200	20,200
2.03.04.09	Treasury Shares	-20,310	-20,310
2.03.05	Retained Earnings/Losses	576,197	0
2.03.06	Equity Valuation Adjustments	3,327,451	3,817,303

**Consolidated Financial Statements / Statement of Income (R\$ thousands)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 07/01/2016 to 09/30/2016</b>	<b>Current Fiscal Year Accrual 01/01/2016 to 09/30/2016</b>	<b>Same Quarter Previous Year 07/01/2015 to 09/30/2015</b>	<b>Previous Fiscal Year Accrual 01/01/2015 to 09/30/2015</b>
3.04	Operating Income / Expenses	101,046	689,684	-246,312	-527,697
3.04.02	General and Administrative Expenses	-7,480	-12,144	-2,902	-6,534
3.04.04	Other Operating Income	0	10,790	6,003	24,613
3.04.04.01	Interest on Redeemable Preferred Shares	0	0	6,003	24,613
3.04.04.02	Investment Dividends	0	10,790	0	0
3.04.05	Other Operating Expenses	-1,142	-3,167	-715	-16,246
3.04.05.01	Tax Expenses	-1,142	-3,167	-715	-16,246
3.04.06	Equity Income	109,668	694,205	-248,698	-529,530
3.05	Earnings before Financial Income Taxes	101,046	689,684	-246,312	-527,697
3.06	Financial Result	-35,172	-98,023	-30,326	-71,644
3.06.01	Financial Revenues	18,290	52,737	15,682	48,065
3.06.02	Financial Expenses	-53,462	-150,760	-46,008	-119,709
3.07	Earnings before Income Taxes	65,874	591,661	-276,638	-599,341
3.08	Income Tax and Social Contribution	-5,487	-15,464	-3,295	-8,444
3.09	Net Income from Continued Operations	60,387	576,197	-279,933	-607,785
3.11	Consolidated Income / Loss for the Period	60,387	576,197	-279,933	-607,785
3.11.01	Attributed to Parent Company Shareholders	60,387	576,197	-279,933	-607,785
3.99	Earnings per Share (BRL / Share)				
3.99.01	Primary Earnings per Share				
3.99.01.01	Common Shares	0.16222	1.54787	-0.75200	-1.63273
3.99.01.02	Preferred Shares	0.17844	1.70267	-0.82720	-1.79600
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Shares	0.16293	1.55468	-0.75531	-1.63991
3.99.02.02	Preferred Shares	0.17923	1.71015	-0.83084	-1.80390

**Consolidated Financial Statements / Statement of Comprehensive Income (R\$ thousands)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter Year Accrual 07/01/2016 to 09/30/2016</b>	<b>Current Fiscal Year Accrual 01/01/2016 to 09/30/2016</b>	<b>Same Quarter Previous Fiscal Year 01/01/2015 to 09/30/2015</b>	<b>Previous Fiscal Year Accrual 01/01/2015 to 09/30/2015</b>
4.01	Consolidated Net Income for the Period	60,387	576,197	-279,933	-607,785
4.02	Other Comprehensive Income	169,257	-489,852	1,209,796	2,024,345
4.02.01	Unearned Income on Available-for-Sale Investments	127,032	331,034	-150,774	-104,909
4.02.02	Reflexes of Shared-Control Subsidiary	42,225	-820,886	1,360,570	2,129,254
4.03	Consolidated Comprehensive Income for the Period	229,644	86,345	929,863	1,416,560
4.03.01	Attributed to Parent Company Shareholders	229,644	86,345	929,863	1,416,560

**Consolidated Financial Statements / Statement of Cash Flows – Indirect Method****(R\$ thousands)**

Account Code	Account Description	Current Fiscal Year Accrual	Previous Fiscal Year Accrual
		01/01/2016 to 09/30/2016	01/01/2015 to 09/30/2015
6.01	Net Cash from Operating Activities	20,529	213,916
6.01.01	Cash from Operations	24,458	-51,991
6.01.01.01	Net Earnings before Income Tax and Social Contribution	591,661	-599,341
6.01.01.02	Equity Income	-694,205	529,530
6.01.01.03	Revenue from Dividends/Interest from Preferred Shares Redeemable	-10,790	-9,762
6.01.01.05	Monetary Variations and Interest, Net	136,755	31,382
6.01.01.06	Reversals / Legal Obligation Provisions	0	-3,897
6.01.01.07	Other	1,037	97
6.01.02	Changes in Assets and Liabilities	-3,929	265,907
6.01.02.01	(Increase) in Other Assets	-3,885	-18,278
6.01.02.02	Increase/(Decrease) in Other Liabilities	-1,517	89,400
6.01.02.03	Interest on Equity and Dividends Received	10,790	47,667
6.01.02.04	Preferred Shares Redeemable	0	150,071
6.01.02.05	Income Tax and Social Contribution Paid	-9,317	-2,953
6.03	Net Cash from Financing Activities	-30	-198,022
6.03.01	Interest on Equity and Dividends Paid	-30	-195,520
6.03.03	Issuance of Debentures	0	1,258,322
6.03.04	Settlement of Debentures	0	-1,240,514
6.03.05	Acquisition of Treasury Shares	0	-20,310
6.05	Increase (Decrease) in Cash and Cash Equivalents	20,499	15,894
6.05.01	Opening Balance of Cash and Cash Equivalents	377,977	312,003
6.05.02	Closing Balance of Cash and Cash Equivalents	398,476	327,897

**Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / SCE - 01/01/2016 to 09/30/2016****(R\$ thousands)**

Account Code	Account Description	Paid Up Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings or Losses	Other Comprehensive Income	Shareholders' Equity	Minority interests	Consolidated Shareholders' Equity
5.01	Opening Balances	4,100,000	-20,310	20,200	0	3,817,303	7,917,193	0	7,917,193
5.03	Adjusted Opening Balances	4,100,000	-20,310	20,200	0	3,817,303	7,917,193	0	7,917,193
5.05	Total Comprehensive Income	0	0	0	576,197	-489,852	86,345	0	86,345
5.05.01	Profit for the Period	0	0	0	576,197	0	576,197	0	576,197
5.05.02	Other Comprehensive Income	0	0	0	0	-489,852	-489,852	0	-489,852
5.05.02.01	Financial Instrument Adjustments	0	0	0	0	331,034	331,034	0	331,034
5.05.02.03	Shareholders' Equity on Compr. Income from Affiliates	0	0	0	0	-820,866	-820,866	0	-820,866
5.07	Closing Balances	4,100,000	-20,310	20,200	576,197	3,327,451	8,003,538	0	8,003,538

**Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / SCE - 01/01/2015 to 09/30/2015****(R\$ thousands)**

Account Code	Account Description	Paid Up Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings or Losses	Other Comprehensive Income	Shareholders' Equity	Minority interests	Consolidated Shareholders' Equity
5.01	Opening Balances	4,100,000	0	2,958,737	0	1,879,258	8,937,995	0	8,937,995
5.03	Adjusted Opening Balances	4,100,000	0	2,958,737	0	1,879,258	8,937,995	0	8,937,995
5.04	Capital Transactions with Shareholders	0	-20,310	0	-210,588	0	-230,898	0	-230,898
5.04.04	Purchased Treasury Shares	0	-20,310	0	0	0	-20,310	0	-20,310
5.04.06	Dividends	0	0	0	-81,588	0	-81,588	0	-81,588
5.04.07	Interest on Equity	0	0	0	-129,000	0	-129,000	0	-129,000
5.05	Total Comprehensive Income	0	0	0	-607,785	2,024,345	1,416,560	0	1,416,560
5.05.01	Profit for the Period	0	0	0	-607,785	0	-607,785	0	-607,785
5.05.02	Other Comprehensive Income	0	0	0	0	2,024,345	2,024,345	0	2,024,345
5.05.02.01	Financial Instrument Adjustments	0	0	0	0	-104,909	-104,909	0	-104,909
5.05.02.03	Shareholders' Equity on Compr. Income Subsidiaries and Affiliates	0	0	0	0	2,129,254	2,129,254	0	2,129,254
5.07	Closing Balances	4,100,000	-20,310	2,958,737	-818,373	3,909,603	10,123,657	0	10,123,657

## Consolidated Financial Statements / Value

### Added Statement (R\$ thousands)

Account Code	Account Description	Current Fiscal Year	Previous Fiscal Year
		Accrual	Accrual
		01/01/2016 to 09/30/2016	01/01/2015 to 09/30/2015
7.02	Inputs Acquired from Third Parties	-3,897	-3,679
7.02.02	Materials, Electricity, Outsourced Services and Others	-2,602	-2,688
7.02.04	Other	-1,295	-991
7.03	Gross Value Added	-3,897	-3,679
7.05	Net Value Added Produced	-3,897	-3,679
7.06	Value Added Received in Transfers	757,732	-456,852
7.06.01	Equity Income	694,205	-529,530
7.06.02	Financial Revenues	52,737	48,065
7.06.03	Other	10,790	24,613
7.06.03.01	Revenue from Dividends/Interest on Redeemable Preferred Shares	10,790	24,613
7.07	Total Value Added Distributable	753,835	-460,531
7.08	Value Added Distribution	753,835	-460,531
7.08.01	Personnel	2,703	2,346
7.08.02	Taxes, Fees and Contributions	24,050	25,082
7.08.03	Return on Third-Party Equity	150,885	119,826
7.08.04	Return on Equity	576,197	-607,785
7.08.04.01	Interest on Equity	0	129,000
7.08.04.02	Dividends	0	81,588
7.08.04.03	Retained Earnings/Losses for the Period	576,197	-818,373

## MANAGEMENT COMMENTS ON THE COMPANY'S PERFORMANCE

Here we present the Consolidated Income Statement in accordance with accounting practices adopted in Brazil.

<b>Income Statement</b>	<b>(R\$ thousand)</b>					
	<b>3Q16</b>	<b>3Q15</b>	<b>Chg %</b>	<b>9M16</b>	<b>9M15</b>	<b>Chg %</b>
Equity Income	109,668	(248,698)	-	694,205	-529,530	-
Redeemable Shares - Interest	-	6,003	-	-	24,613	-
Dividends from Investments	-	-	-	10,790	-	-
<b>Operating Revenue</b>	<b>109,668</b>	<b>(242,695)</b>	<b>-</b>	<b>704,995</b>	<b>-504,917</b>	<b>-</b>
Payroll Expenses	(1,154)	(1,648)	-30.0%	(3,057)	(2,681)	14.0%
General and Administrative Expenses	(6,326)	(1,254)	404.5%	(9,087)	(3,853)	135.8%
Tax Expenses	(1,142)	(715)	59.7%	(3,167)	(16,246)	-80.5%
Financial Revenues (Expenses)	(35,172)	(30,326)	16.0%	(98,023)	(71,644)	36.8%
<b>Operational Result before Income Tax/Social Contribution</b>	<b>65,874</b>	<b>(276,638)</b>	<b>-</b>	<b>591,661</b>	<b>-599,341</b>	<b>-</b>
Income Tax / Social Contribution	(5,487)	(3,295)	66.5%	(15,464)	(8,444)	83.1%
<b>Results for the Period</b>	<b>60,387</b>	<b>(279,933)</b>	<b>-</b>	<b>576,197</b>	<b>-607,785</b>	<b>-</b>

### Operating Revenue

As an investment company, BRADESPAR's operating revenue originates from the equity income, and interest on equity of Valepar/VALE and dividends and interest on equity received from CPFL Energia S.A.

BRADESPAR presented in the 3Q16, operating revenues of R\$109.7 million, reflecting the equity income from Valepar/VALE. In the first nine months of 2016 registered operating revenues of R\$705.0 million, composed of R\$694.2 million of equity from Valepar/VALE and R\$10.8 million from dividends of CPFL Energia.

It is worth emphasized that VALE announced another quarter of excellent operating performance, reaching several production records, including: production of 38.7 million tons of iron ore at Carajás and the production of 1.8 million tons of coal in Moatize.

### Financial Results

BRADESPAR's financial expenses came to R\$35.2 million in the third quarter of 2016, mainly due to interest rates of debentures, calculated based on interbank deposit rate (CDI), which raised from 3.43% in 3Q15 to 3.47% in the same period of 2016.

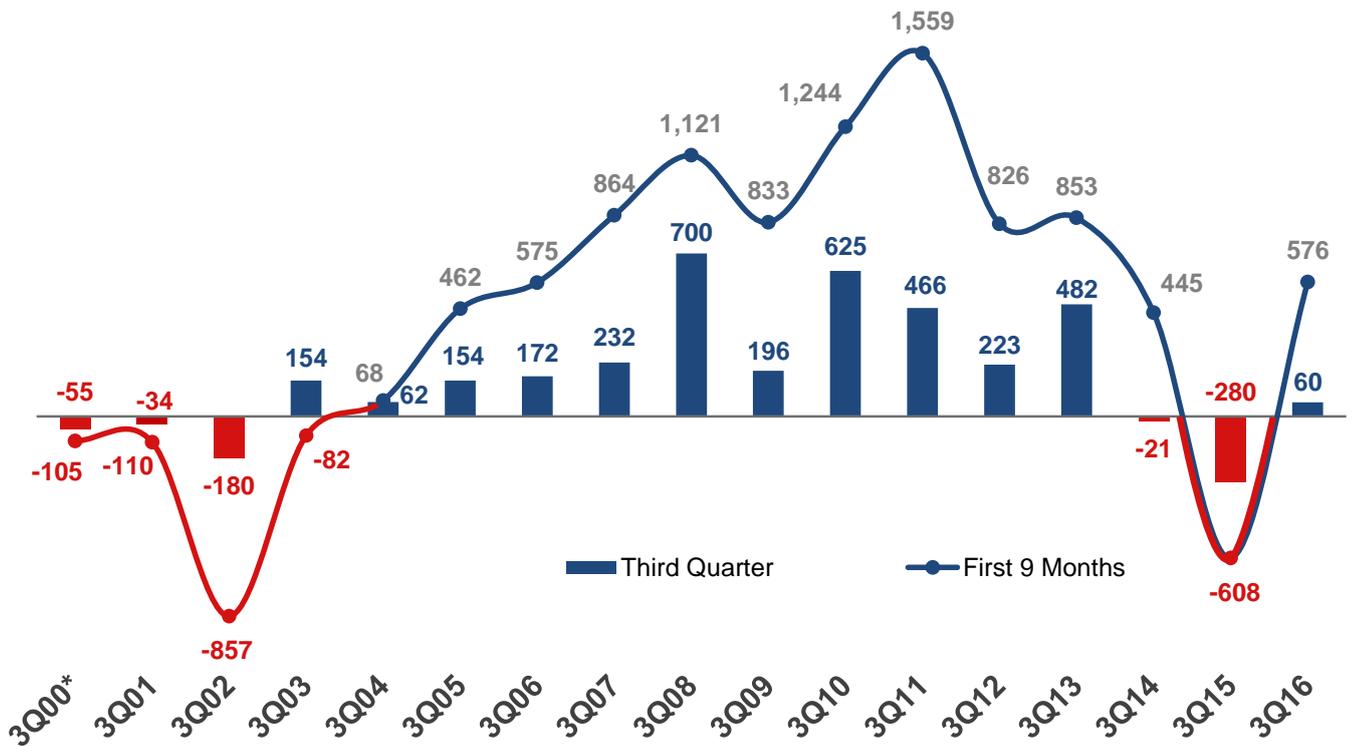
### Payroll, General and Administrative Expenses

BRADESPAR's payroll, general and administrative expenses totaled R\$7.5 million in the third quarter of 2016 and R\$12.1 million in the first nine months of the year.

### Results Performance

In 3Q16, BRADESPAR reported a net income of R\$60.4 million. In 2016, accumulated, net income was R\$576.2 million, reflecting, as previously mentioned, the performance shown by VALE.

Results Performance (R\$ million)



\*Corresponds to 7 months of operations.

## **SERVICES RENDERED BY INDEPENDENT AUDITORS**

In compliance with CVM Instruction No. 381/03, BRADESPAR informs that, in the period ended on September 30, 2016, neither hired nor had services rendered by the independent auditor - KPMG Auditores Independentes - not related to external audit.

BRADESPAR adopts, as a non-audit services hiring policy, the stand to meet the regulations that preserve the independence of the external auditor, maintaining the consistency even with international principles, in compliance with the procedures established by the Company, which include, among others, the following topics: (a) the auditor must not audit its own work; (b) the auditor must not perform management functions on the client; and (c) the auditor must not promote the interests of his client. Additionally, in case of hiring other services, the scope and procedures of these services are discussed with the independent auditors, so that it does not affect the established independence rules.

## COMMENTS ON INVESTEES

The world's largest producer of iron ore and pellets, key raw materials for the steel industry, VALE is also the world's largest nickel producer, with applications in the stainless steel and metal alloys industry used in the production of aircraft, automobiles, mining and energy equipment, cell phones, batteries, special batteries for hybrid electric vehicles, among many others. It also produces manganese, iron alloys, thermal and metallurgical coal, copper, platinum's group metals, gold, silver, cobalt, potassium, phosphate and other fertilizer nutrients, important raw materials for the industry and the global agriculture. To support its growth strategy, the Company also operates large logistics systems in Brazil and in other regions of the world, including railroads, maritime terminals and ports, integrated with its mining operations.

In this context, we must highlight the S11D project, located in the southeast of Pará, which is the expansion of the iron ore mining activity in the Complexo Minerador de Carajás. Considered a landmark among all the projects carried out by Vale, when it begins its operation, at the end of 2016, the Company will have strengthened its leading global position in the mining market. The project predicts the lowest cost of ore production in the world, which, combined with high-quality product and transport strategy through exclusive ships (VALEMAX), makes VALE become a reference in this market and it strengthens its commitment to create value for its shareholders.

VALE trades on the BM&FBOVESPA (VALE3 and VALE5), the New York Stock Exchange (NYSE) (VALE and VALE.P), the NYSE Euronext Paris (VALE3 and VALE5), the Latibex (XVALO and XVALP).

The main highlights of VALE's performance in 3Q16 were:

- Adjusted EBITDA of R\$ 9.8 billion, 44.0% higher than the same period last year;
- Net income of R\$1.8 billion, with the reversal of R\$6.7 billion loss recorded in the same period of 2015;
- Investments in the execution of projects totaled US\$741.0 million, US\$530.0 million of which related to the S11D project; and
- Investments in maintenance of the existing operations totaled US\$516.0 million.

### CPFL ENERGIA

CPFL Energia, the largest private company in the Brazilian electric sector, is a holding which operates through its subsidiaries dedicated to the distribution, generation and sale of electricity in the free and regulated markets.

Its shares are traded on the BM&FBOVESPA - within the Novo Mercado segment - and on the New York Stock Exchange (NYSE), through ADRs Level III, which shows its adherence to the highest standards of Corporate Governance, aligned with the best practices existing in Brazil and abroad.

In addition to the Novo Mercado, the shares of CPFL Energia are part of the Corporate Sustainability Index (ISE), which brings together committed companies with the principles of transparency, accountability, sustainability and corporate responsibility, considering the performance of economic, social and environmental aspects in medium and long terms.

The company's controlling group is formed by the Investment Fund in BB Carteira Livre (Previ)'s shares, by Camargo Corrêa and the Investment Fund in Participações Energia São Paulo (Funcesp, Petros, Sistel e Sabesprev). Of the outstanding shares in the market (free float), 5.3% are held by BRADESPAR.

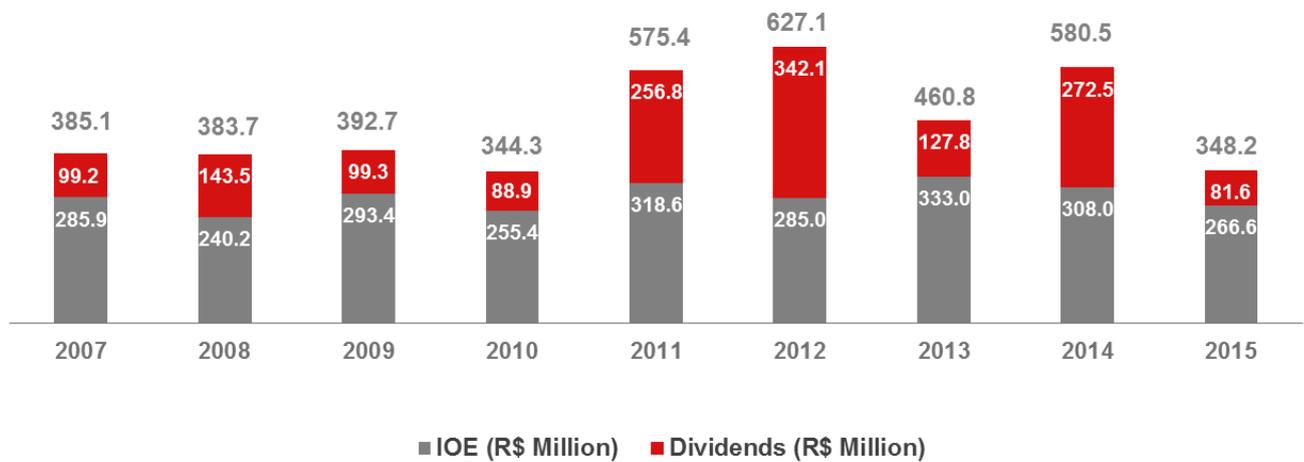
In July 2016, Camargo Corrêa accepted the proposal of State Grid International Development Limited (State Grid) related to the acquisition of all its stake in the controlling block of CPFL Energia S.A., represented by 234,086,204 shares, for twenty-five reais (R\$25.00) per share, subject to adjustments provided for in the transaction's documents.

The signature of the Share Purchase Agreement will take place after the conclusion of a confirming due diligence and the obtaining of applicable approvals by the competent public authorities, including Brazil's Antitrust Authority (CADE) and the Brazilian Electricity Regulatory Agency (ANEEL).

## SUBSEQUENT EVENTS

Pursuant to its "Policy Guiding the Annual Compensation", adopted on August 11, 2016, BRADESPAR announced to its shareholders, on October 31, 2016, that the Company's Executive Board submitted to the Board of Directors a proposal to maintain a compensation equal to zero for the 2016 year, as disclosed by a Material Fact, on February 26, 2016, given that there was no significant change in its cash flow generation for the year.

BRADESPAR also announced that the Management will, after the closure of the current year, reassess the profit distribution based on the eventual outcome of the year and on the legal and statutory provisions applicable, a decision that will be disclosed in due course to the shareholders.



## Notes to the Interim Financial Statements

### Notes to the Interim Financial Statements (In thousands of reais, unless otherwise specified)

#### 1. OPERATIONAL BACKGROUND

The corporate purpose of BRADESPAR S.A. (BRADESPAR, Company or Parent Company), incorporated as a public joint-stock company, is to acquire shareholding interest in other corporations, headquartered at Avenida Paulista, nº 1.450, 9º andar, São Paulo - SP, Brazil.

**The main direct and indirect equity interests are specified below:**

##### a) Antares Holdings Ltda. (ANTARES)

The corporate purpose of ANTARES is to manage, lease, acquire and sell own goods and interest in other companies, as quotaholder or shareholder.

##### b) Brumado Holdings Ltda. (BRUMADO)

The corporate purpose of BRUMADO is to acquire interest in other companies, as partner or shareholder.

##### c) Millennium Security Holdings Corp. (MILLENNIUM)

The corporate purpose of MILLENNIUM is to engage in any act or activity permitted by any law prevailing in the British Virgin Islands.

##### d) Valepar S.A. (VALEPAR)

VALEPAR is a closely-held corporation whose sole corporate purpose is to act as a shareholder of Vale S.A. (VALE).

##### e) Vale S.A. (VALE)

VALE is a corporation whose main corporate activities are to research, produce and sell iron ore and pellets, nickel, fertilizer, copper, coal, manganese, iron alloys, cobalt, platinum group metals and precious metal. The company also operates in the energy and steel segments. For more information, see Note 19.

#### 2. PRESENTATION OF FINANCIAL STATEMENTS

We hereby present the individual (Parent Company) and Consolidated condensed interim financial statements of BRADESPAR, which include the companies BRADESPAR, ANTARES, BRUMADO and MILLENNIUM, as at September 30, 2016.

The Company's individual and condensed consolidated interim financial statements were drawn up and reported in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), implemented in Brazil through the Brazilian Accounting Pronouncements Committee (CPC) and its technical pronouncements (CPCs), interpretations (ICPCs) and guidelines (OCPCs), approved by the Brazilian Securities and Exchange Commission (CVM).

The accounting estimates applied to draw up the interim financial statements, related to deferred tax assets and liabilities, liability provisions and contingencies, consider the best evidence available and are based on assumptions applicable at the end of the reporting periods. Final results, upon realization, may differ from estimated amounts.

BRADESPAR analyzed the subsequent events until November 10, 2016, date the financial information was approved by the Board of Directors. Subsequent events, if applicable, will be described in Note 18.

## Notes to the Interim Financial Statements

### 3. MAIN ACCOUNTING PRACTICES

The condensed interim financial statements abide by the same principles, methods and criteria as those adopted for the annual financial statements for the fiscal year ended December 31, 2015, and shall be analyzed jointly with those financial statements.

#### a) Principles of consolidation

The condensed consolidated financial statements reflect the balances and transactions of the parent company and its direct/indirect subsidiaries. Investments with significant influence are accounted for using the equity method.

The subsidiaries' accounting practices are adjusted to ensure consistency with the policies adopted by the parent company. The operations between consolidated companies, as well as unrealized gains and losses in these operations are disregarded.

BRADESPAR's consolidated financial statements include the following direct and indirect subsidiaries:

Companies	BRADESPAR's direct and indirect interest (%)	
	09.30.2016	12.31.2015
- ANTARES	100.00	100.00
- BRUMADO	100.00	100.00
- MILLENNIUM	100.00	100.00

#### b) Segment reporting

BRADESPAR is a holding whose corporate purpose and sole business segment is to hold interest as partner or shareholder in other companies.

### 4. KEY ACCOUNTING JUDGMENTS AND ESTIMATES

The key accounting estimates are the same as those adopted in the financial statements of the fiscal year ended on December 31, 2015.

### 5. ACCOUNTING PRONOUNCEMENTS

There were no standards, amendments and interpretations of relevant accounting standards applicable as of January 1, 2016.

### 6. RISK MANAGEMENT

There were no changes regarding the risk management policies published in the fiscal year ended December 31, 2015.

### 7. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	09.30.2016	12.12.2015	09.30.2016	12.31.2015
Available funds in domestic currency	23	31	1,380	1,628
Financial investment funds	23,461	32,527	397,096	376,349
<b>TOTAL</b>	<b>23,484</b>	<b>32,558</b>	<b>398,476</b>	<b>377,977</b>

## 8. INVESTMENTS

- a) The adjustments arising from the investment equity method valuation were recorded under "Equity Accounting Earnings" and corresponded to R\$735,507 in the 9M16 Parent Company statements (September 30, 2015 – negative by R\$487,361) and R\$120,605 in 3Q16 (3Q15 – negative by R\$235,875); result of R\$694,205 in the 9M16 Consolidated statements (September 30, 2015 – negative by R\$529,530) and R\$109,668 in 3Q16 (3Q15 – negative by R\$248,698).
- b) The Parent Company's equity interests measured by the equity accounting method are detailed below:

Companies	Share Capital	Adjusted Equity	Adjusted Result	Number of Shares Held (thousand)		Share Capital Interest %	Total Investments		Adjustment due to Valuation (1)			
				ON	PN		09.30.2016	12.31.2015	3º Trim/16	3º Trim/15	09.30.2016	09.30.2015
ANTARES (3)	327,000	1,281,342	41,302	-	327,000	100,000	1,281,342	909,005	10,937	12,823	41,302	42,169
VALEPAR (2) (3) (4)	14,132,725	47,154,875	3,980,063	275,966	-	17,442	8,224,776	8,351,458	109,668	(248,698)	694,205	(529,530)
<b>Total</b>							<b>9,506,118</b>	<b>9,260,463</b>	<b>120,605</b>	<b>(235,875)</b>	<b>735,507</b>	<b>(487,361)</b>

(1) Considering the results recorded by the companies, including equity variations of non-vested results, as well as adjustments by equalization of accounting practices, when applicable;

(2) Investment with significant influence guaranteed by the Shareholders' Agreement;

(3) The company's September 30, 2016 information was audited by the same independent auditors of BRADESPAR; and

(4) For more information, see Note 19.

- c) Breakdown of investments measured by equity accounting method in the Consolidated:

Company	Total Investments		Adjustment due to Valuation (1)			
	09.30.2016	12.31.2015	3Q16	3Q15	09.30.2016	09.30.2015
- VALEPAR	5,702,627	5,008,423	109,668	(248,698)	694,205	(529,530)
- VALEPAR – adjustment effect (2)	2,522,149	3,343,035	-	-	-	-
<b>Total Geral</b>	<b>8,224,776</b>	<b>8,351,458</b>	<b>109,668</b>	<b>(248,698)</b>	<b>694,205</b>	<b>(529,530)</b>

(1) Considering the results recorded by the companies, including investees' equity variations not deriving from income, as well as adjustments due to conformity of the accounting practices, when applicable; and

(2) Equity valuation adjustments, as per Law 11638/07 and CPCs 2 and 8, which are recorded against equity, basically refer to forex differences when translating foreign currency into the functional currency of the operations performed by VALE.

## 9. DEBENTURES PAYABLE

On July 6, 2015, BRADESPAR conducted its sixth public issue of 126,000 non-convertible debentures, at the unit face value of ten thousand Reais (R\$10,000), totaling R\$1,260,000, maturing in 1,096 days as of the issue date. Debentures will be entitled to compensatory interests corresponding to 105.5% of the accumulated variation of DI over extra group daily average rate- one-day Interbank Deposits, calculated and disclosed by CETIP, basis of 252 business days, expressed as annual percentages ("DI Rate"), incurring on the unit face value of debentures, calculated from the issue date until the end of the capitalization period, pro rata temporis. The funds raised through the issue of debentures were intended for full settlement related to the debentures of the 5<sup>th</sup> (fifth) issuance, which also matured on July 6, 2015.

The Company may partially amortize the debentures at any time, at its sole discretion, provided that said amortization considers all the debentures in the series proportionally. The partial amortization is limited to up to 90% of the unit face value.

The Company may carry out the early redemption of all the debentures at any time, at its sole discretion. In the event of an early redemption, the Company shall pay the debenture holders an additional premium of 0.03% on the face value or face value balance of the debentures. The Company is also committed to maintaining certain total net indebtedness ratios, calculated on a quarterly basis, on a consolidated manner. On September 30, 2016 and December 31, 2015, Bradespar did not identify any non-compliance event that could cause the early maturity of the debt.

## Notes to the Interim Financial Statements

On September 30, 2016, the updated payable balance of the debentures totaled R\$1,496,808 (December 31, 2015 – R\$1,347,692).

### 10. PROVISIONS, CONTINGENT LIABILITIES AND ASSETS AND LEGAL OBLIGATIONS

#### a) Contingent assets

No contingent assets were recognized; however, there are proceedings with probable chances of success, namely:

- COFINS – R\$11,203 (December 31, 2015 – R\$ 10,827): The Company pleads COFINS refund or offset, collected pursuant to Law No. 9.718/98, between January and October 2001, regarding all due invoicing surplus; and
- Social Integration Program (PIS) – R\$ 2,427 (December 31, 2015 – R\$ 2,346): The Company pleads the PIS refund or offset, collected pursuant to Law No. 9.718/98, between January and October 2001, regarding all surplus due amounts based on the requirements set out by Supplementary Law No. 7/70 (Pis Repique), or at least regarding all due invoicing surplus.

#### b) Provisions classified as probable losses and legal obligations

The companies covered in the Consolidated are parties in tax lawsuits arising from the regular course of their activities.

When recording provisions, Management takes into account: legal counsel's opinion, nature of lawsuits, similarity with previous proceedings, complexity, and court standpoint, whenever losses are classified as probable.

BRADESPAR's Management understands that the provision recorded is sufficient to cover all losses arising from such proceedings.

Liabilities regarding legal obligations under legal dispute are maintained until the lawsuit is granted relief, represented by favorable court decisions over which no further appeals shall not apply or barred by law.

#### I) Provision

By virtue of the Private Share Purchase Agreement representing Bradesplan Participações Ltda. (BRADESPLAN)'s share capital, executed with Banco Bradesco S.A. (BRADESCO) in May 2006, BRADESPAR is responsible for tax court proceedings (PIS and COFINS) involving the former subsidiary BRADESPLAN. On September 30, 2016, the updated amount totaled R\$25,722 (December 31, 2015 – R\$24,587).

The balance of judicial deposits on September 30, 2016, in the amount of R\$ 6,505 (December 31, 2015 – R\$ 5,993) is related to COFINS, which must be refunded by the Brazilian Federal Revenue Service (RFB) pursuant to the aforementioned proceedings.

#### II) Tax liabilities

BRADESPAR has been challenging in court the legality and constitutionality of a few taxes and contributions, which are fully accrued, notwithstanding the good chances of success in the medium and long-term basis, as per its legal counsels' opinion.

- COFINS – R\$12,257 (December 31, 2015 – R\$ 11,813): The Company has petitioned the assessment and collection of COFINS, from November 2001 to January 2004, over effective invoicing, duly defined in Article 2 of Supplementary Law No. 70/91, thus eliminating the unconstitutional expansion of the calculation bases set out in Paragraph 1 of Article 3 of Law No. 9.718/98.

## Notes to the Interim Financial Statements

In general, the provisions corresponding to lawsuits are considered long term, given the unpredictability of the length of the proceedings in Brazil's legal system, which is why the Company has not disclosed an estimate of the year when these lawsuits will be concluded.

### III) Breakdown of provisions and legal obligations

	Parent Company and Consolidated	
	09.30.2016	12.31.2015
<b>Balance at the beginning of the period</b>	<b>36,400</b>	<b>38,590</b>
Net recording of reversals	-	(4,145)
Monetary restatement	1,579	1,955
<b>Balance at the end of period</b>	<b>37,979</b>	<b>36,400</b>

#### c) Contingent liabilities classified as possible losses

BRADESPAR has a system to monitor all the administrative and legal proceedings in which it is the plaintiff or defendant, and supported by its legal counsels' opinion, it classifies lawsuits according to the expectation of failure: remote, possible or probable.

BRADESPAR, together with Litel Participações S.A. (LITEL), is the defendant in an arbitration award execution filed in October 2014 by Elétron S.A. (ELÉTRON), which is pending before the Fifth Corporate Court of the Court of Justice of Rio de Janeiro. Said arbitration award is the object of ongoing Actions for Annulment in the Superior Court of Justice (STJ).

In the execution, ELÉTRON claimed the delivery of 37,500,000 common shares issued by Valepar, upon payment of the price defined by the arbitration award that is the object of the execution.

After BRADESPAR and LITEL filed objections, in March, 2015, ELÉTRON requested and was granted the conversion of the execution into the payment of damages. An appeal was filed regarding this conversion with the Court of Justice of Rio de Janeiro (TJ/RJ), which upheld the conversion of the execution, but also ordered an assessment of the amount of damages by an expert, which is yet to be initiated. BRADESPAR and LITEL have filed an appeal with the STJ challenging the decision by the TJ/RJ.

Still considering the abovementioned arbitration award, in October 2015, ELÉTRON filed a new arbitration proceeding against BRADESPAR and LITEL, requesting indemnification for damages it claims to have suffered due to the price variation of the requested shares. This new arbitration is in the initial stage of selection of the arbitrators.

Based on the analysis of the arbitration and court proceedings mentioned above, BRADESPAR's legal counsel believes it is likely that either the arbitration decision will be annulled or the damages to be indemnified will be determined as inexistent.

BRADESPAR's direct subsidiary, ANTARES, is party in legal proceedings with the RFB, as successor of the spun-off amount of VBC Participações S.A. (VBC), regarding due compensation for tax losses and social contribution tax loss carryforwards, upon its full spin-off and subsequent liquidation, in amount exceeding the 30% limit established by Law No. 8.981/95, totaling R\$246,695 on September 30, 2016 (December 31, 2015 – R\$233,308): R\$181,700 for income tax (December 31, 2015 – R\$171,840) and R\$64,995 for social contribution on net income (December 31, 2015 – R\$61,468); thus, we consider as possible BRADESPAR S.A's chances of success.

## 11. EQUITY

### a) Ownership structure in amount of shares

The fully subscribed and paid-up share capital is divided into non-par, book-entry, registered shares.

	09.30.2016	12.31.2015
Common	122,523,049	122,523,049
Preferred	227,024,896	227,024,896
<b>Subtotal</b>	<b>349,547,945</b>	<b>349,547,945</b>
Treasury shares (common shares)	(351,600)	(351,600)
Treasury shares (preferred shares)	(1,162,300)	(1,162,300)
<b>Total outstanding shares</b>	<b>348,034,045</b>	<b>348,034,045</b>

### b) Treasury shares

During the fiscal year ended December 31, 2015, 351,600 common shares and 1,162,300 preferred shares were acquired, totaling R\$20,310. The minimum, medium and maximum cost per common share was R\$10.35, R\$11.57, and R\$12.68, and the costs per preferred share were R\$13.44, R\$13.97, and R\$14.38, respectively. The market value of such shares on September 30, 2016 was R\$8.34 per common share and R\$9.76 per preferred share.

The Board of Directors' Meeting of August 11, 2016, resolved to implement the share buyback program; the shares will be held in treasury and subsequently sold or cancelled, without reducing the share capital. In order to invest funds from the "Profit Reserve – Statutory", which are available for investment, the Board of Directors authorized the Company's Board of Executive Officers to acquire, between August 12, 2016 and August 11, 2017, up to 10,870,000 no-par registered, book-entry shares, of which up to 970,000 common and up to 9,900,000 preferred, within the authorized limits and the validity period mentioned above.

### c) Interest on equity and/or dividends

On April 18, 2016, the Board of Directors approved the Board of Executive Officer's proposal, complying with the provisions set forth in its "Minimum Annual compensation Policy", and, on February 26, 2016, it informed the shareholders that the minimum compensation would be zero in 2016, due to market volatility, which has been directly impacting the result of its investees.

Management reassessed the respective Policy in effect in order to make it compatible with the current market scenario, preserving the economic rights ensured by its bylaws, which guarantee a minimum distribution of thirty percent (30%) of annual net income, adjusted for the recognition of legal reserves.

As defined in the Minimum Annual compensation Policy, the distribution of annual shareholder compensation will be at the discretion of the Board of Directors and will take into account the following factors and assumptions:

- i) the accounting result and net income recorded by the Company;
- ii) the generation of free cash flow every year;
- lii) the Company's leverage level; and
- iv) mandatory dividends set forth in the Company's Bylaws to be distributed as dividends and/or interest on equity.

## 12. RECOVERABLE TAXES AND TAX CREDITS

### I) Parent Company

a) Recoverable taxes, totaling R\$172,759 (December 31, 2015 - R\$160,457), basically refer to income tax and social contribution from previous fiscal years and withholding income tax over financial investment and interest on equity received.

b) Statement of calculation of charges with income tax and social contribution:

	Quarters		Periods	
	3Q16	3Q15	09.30.2016	09.30.2015
<b>Earnings before taxes (Income Tax and Social Contribution)</b>	<b>60,387</b>	<b>(279,933)</b>	<b>576,197</b>	<b>(607,785)</b>
Total income tax and social contribution at the rates of 25% and 9%, respectively	(20,532)	95,177	(195,907)	206,647
<b>Effect of additions and exclusions in tax calculations:</b>				
Shareholding interest in subsidiaries and investments with significant influence, taxed in the corresponding companies	41,006	(80,198)	250,072	(165,703)
Non-deductible provisions and expenses, net of non-taxable income	(130)	(142)	(343)	(407)
Interest on equity (received and receivable)	-	-	-	(56,338)
Interest on equity paid	-	-	-	43,860
Tax credits and others	(20,344)	(14,837)	(53,822)	(28,059)
<b>Income tax and social contribution for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

c) Unused tax credits

On September 30, 2016, unused income tax and social contribution tax credits, calculated on temporary additions and tax losses and social contribution tax loss carryforwards, totaled R\$525,601 (December 31, 2015 – R\$471,779), and do not present any prospects of being used.

### II) Consolidated

a) Recoverable taxes, totaling R\$183,291 (December 31, 2015 - R\$167,268), basically refer to income tax and social contribution from previous fiscal years and withholding income tax over financial investments and interest on equity received.

b) Statement of calculation of charges with income tax and social contribution:

	Quarters		Periods	
	3Q16	3Q15	09.30.2016	09.30.2015
<b>Earnings before taxes (Income Tax and Social Contribution)</b>	<b>65,874</b>	<b>(276,638)</b>	<b>591,661</b>	<b>(599,341)</b>
Total income tax and social contribution at the rates of 25% and 9%, respectively	(22,397)	94,057	(201,165)	203,776
<b>Effect of additions and exclusions in tax calculations:</b>				
Shareholding interest in subsidiaries and investments with significant influence, taxed in the corresponding companies	37,287	(84,557)	236,030	(180,040)
Non-deductible provisions and expenses, net of non-taxable income	(157)	2,015	(532)	8,104
Interest on equity (received and receivable)	-	-	-	(56,338)
Dividends received	-	-	3,669	-
Interest on equity paid	-	-	-	43,860
Tax credits and others	(20,220)	(14,810)	(53,466)	(27,806)
<b>Income tax and social contribution for the period</b>	<b>(5,487)</b>	<b>(3,295)</b>	<b>(15,464)</b>	<b>(8,444)</b>

## Notes to the Interim Financial Statements

### c) Unused tax credits

On September 30, 2016, unused income tax and social contribution tax credits, calculated on temporary additions and tax losses and social contribution tax loss carryforwards, totaled R\$563,680 (December 31, 2015 – R\$509,903), and do not present any prospects of being used.

## 13. FINANCIAL RESULT

	Parent Company			
	Quarters		Periods	
	3Q16	3Q15	09.30.2016	09.30.2015
<b>Financial Revenues</b>				
Income from financial investments	982	860	3,026	3,665
Selic interest rate on recoverable taxes	4,430	4,048	12,780	12,180
Other	177	171	1,122	5,472
	<b>5,589</b>	<b>5,079</b>	<b>16,928</b>	<b>21,317</b>
<b>Financial Expenses</b>				
Debenture interest expenses	(52,911)	(45,479)	(148,728)	(118,165)
Selic interest rate on provisions for tax liabilities	(549)	(530)	(1,579)	(1,411)
Other	(4,721)	-	(13,292)	-
	<b>(58,181)</b>	<b>(46,009)</b>	<b>(163,599)</b>	<b>(119,576)</b>
<b>Net Financial Result</b>	<b>(52,292)</b>	<b>(40,930)</b>	<b>(146,671)</b>	<b>(98,259)</b>

	Consolidated			
	Quarters		Periods	
	3Q16	3Q15	09.30.2016	09.30.2015
<b>Financial Revenues</b>				
Income from financial investments	13,578	11,023	38,444	29,524
Selic interest rate on recoverable taxes	4,519	4,134	13,040	12,413
Others	193	525	1,253	6,128
	<b>18,290</b>	<b>15,682</b>	<b>52,737</b>	<b>48,065</b>
<b>Financial expenses</b>				
Debenture interest expenses	(52,911)	(45,480)	(148,728)	(118,165)
Selic interest rate on provisions for tax liabilities	(549)	(528)	(1,632)	(1,425)
Others	(2)	-	(400)	(119)
	<b>(53,462)</b>	<b>(46,008)</b>	<b>(150,760)</b>	<b>(119,709)</b>
<b>Net Financial Result</b>	<b>(35,172)</b>	<b>(30,326)</b>	<b>(98,023)</b>	<b>(71,644)</b>

## 14. RELATED PARTIES

l) Related-party transactions (direct and indirect) are performed based on conditions and fees compatible with third-party averages, where applicable, on the date of such transactions. The main transactions are detailed below:

### a) Parent Company

	Parent Company (1)		Investment with significant influence (2)		Total	
	09.30.2016	12.31.2015	09.30.2016	12.31.2015	09.30.2016	12.31.2015
<b>Non-Current Liabilities</b>						
Other liabilities (Note 17a)	(140,834)	(127,542)	-	-	(140,834)	(127,542)

(1) Brumado; and

(2) Valepar.

## Notes to the Interim Financial Statements

	Parent Company (1)		Investment with significant influence (2)		Total	
	3Q16	3Q15	3Q16	3Q15	3Q16	3Q15
Financial expenses	4,721	-	-	-	4,721	-

(1) Brumado; and  
(2) Valepar.

	Parent Company (1)		Investment with significant influence (2)		Total	
	09.30.2016	09.30.2015	09.30.2016	09.30.2015	09.30.2016	09.30.2015
Revenue from interest on equity	-	-	-	165.699	-	165.699
Financial expenses	13,292	-	-	-	13,292	-

(1) Brumado; and  
(2) Valepar.

### b) Consolidated

	Parent Company (1)		Investment with significant influence (2)		Total	
	3Q16	3Q15	3Q16	3Q15	3Q16	3Q15
Interest from preferred shares redeemable and interest on equity	-	-	-	6,003	-	6,003

(1) Brumado; and  
(2) Valepar.

	Parent Company (1)		Investment with significant influence (2)		Total	
	09.30.2016	09.30.2015	09.30.2016	09.30.2015	09.30.2016	09.30.2015
Revenue from interest on equity	-	-	-	165.699	-	165.699
Interest from preferred shares redeemable	-	-	-	24.613	-	24.613

(1) Brumado; and  
(2) Valepar.

## II) Compensation of the Management's key personnel

Every year, the Annual Shareholders' Meeting establishes:

- Management's overall annual compensation, which is defined at the Board of Directors' meeting, to be paid to the members of the Board of Directors and Executive Officers, as provided for by the Company's bylaws; and
- The amount allocated to fund the open supplementary private pension plans for the members of Management, within the Private Pension Plan for BRADESPAR's Management.

A maximum compensation amount of R\$2,700 (2015 – R\$2,000) and limit of R\$1,500 (2015 – R\$2,000) for private pension plans were established for 2016.

### Management short-term benefits

	Quarters		Periods	
	3Q16	3Q15	09.30.2016	09.30.2015
Proceed	615	999	1,553	1,533
INSS Contribution	123	200	310	307
<b>Total</b>	<b>738</b>	<b>1,199</b>	<b>1,863</b>	<b>1,840</b>

### Retirement obligations

	Quarters		Periods	
	3Q16	3Q15	09.30.2016	09.30.2015
Defined contribution supplementary private pension plans	311	402	932	670

**Other benefits**

BRADESPAR does not have post-employment or long-term benefits upon employment contract termination, share-based compensation or profit sharing for its Management's key personnel.

**Equity interest**

Members of the Board of Directors and Board of Executive Officers jointly hold the following equity interest in BRADESPAR:

	09.30.2016	12.31.2015
• Common Shares	0.3599%	0.3599%
• Preferred Shares	0.4655%	0.4408%
• <b>Total Shares</b>	<b>0.4285%</b>	<b>0.4124%</b>

**15. FINANCIAL INSTRUMENTS**

The Financial Instruments are classified below:

	September 30, 2016					
	Parent Company			Consolidated		
	Loans and receivables	Available for sale	Total	Loans and receivables	Available for sale	Total
<b>Financial Assets</b>						
Cash and cash equivalents	23,484	-	23,484	398,476	-	398,476
Available-for-sale securities	-	-	-	-	1,293,300	1,293,300
<b>Total Assets</b>	<b>23,484</b>	<b>-</b>	<b>23,484</b>	<b>398,476</b>	<b>1,293,300</b>	<b>1,691,776</b>

	September 30, 2016					
	Parent Company			Consolidated		
	Amortized cost	Fair value through profit or loss	Total	Amortized cost	Fair value through profit or loss	Total
<b>Financial Liabilities</b>						
Debentures payable	1,496,808	-	1,496,808	1,496,808	-	1,496,808
Other liabilities	25,634	-	25,634	25,634	-	25,634
<b>Total Liabilities</b>	<b>1,522,442</b>	<b>-</b>	<b>1,522,442</b>	<b>1,522,442</b>	<b>-</b>	<b>1,522,442</b>

	December 31, 2015					
	Parent Company			Consolidated		
	Loans and receivables	Available for sale	Total	Loans and receivables	Available for sale	Total
<b>Financial Assets</b>						
Cash and cash equivalents	32,558	-	32,558	377,977	-	377,977
Available-for-sale securities	-	-	-	-	791,734	791,734
<b>Total Assets</b>	<b>32,558</b>	<b>-</b>	<b>32,558</b>	<b>377,977</b>	<b>791,734</b>	<b>1,169,711</b>

## Notes to the Interim Financial Statements

	December 31, 2015					
	Parent Company			Consolidated		
	Amortized cost	Fair value through profit or loss	Total	Amortized cost	Fair value through profit or loss	Total
<b>Financial Liabilities</b>						
Debentures payable	1,347,692	-	1,347,692	1,347,692	-	1,347,692
Other liabilities	25,723	-	25,723	25,723	-	25,723
<b>Total Liabilities</b>	<b>1,373,415</b>	<b>-</b>	<b>1,373,415</b>	<b>1,373,415</b>	<b>-</b>	<b>1,373,415</b>

### a) Financial assets

The financial asset, recorded under assets and liabilities, relates mainly to indirect investments in CPFL Energia, whose history cost is R\$73,145 (December 31, 2015 – R\$73,145), based on the market value of R\$1,293,300 (December 31, 2015 – R\$791,734) and surplus of R\$1,220,155 (December 31, 2015 – R\$718,589). Investments in CPFL Energia are classified as available-for-sale securities at fair value, against equity.

BRADESPAR and its subsidiaries did not have any derivative operations on September 30, 2016 and December 31, 2015.

### b) Non-discounted cash flow for financial liabilities

Below, the non-discounted contractual cash flow payable, based on non-derivative financial liabilities, stated by the remaining contractual maturity until the end of the reporting period:

	Parent Company and Consolidated		
	Less than one year	Between one and three years	Total
<b>September 30, de 2016</b>			
Debentures payable	-	1,910,673	1,910,673
<b>December 31, 2015</b>			
Debentures payable	-	1,911,104	1,911,104

Cash flows are estimates prepared by the Company and may vary from this analysis due to variations in the respective index.

### c) Sensitivity analysis

In compliance with the CVM Instruction 475/08, the following chart provides the sensitivity of positions subject to variations in market rates or prices:

Risk Factors	Definition	Scenarios					
		September 30, 2016			December 31, 2015		
		1	2	3	1	2	3
Interest rate in Reais	Exposures subject to variations of fixed interest rates and interest rate coupon	(25)	(8,768)	(17,217)	(21)	(7,857)	(15,412)
Equities	Exposures subject to stock price variation	(12,933)	(323,325)	(646,650)	(7,917)	(197,933)	(395,867)
<b>Total without Correlation</b>		<b>(12,958)</b>	<b>(332,093)</b>	<b>(663,867)</b>	<b>(7,938)</b>	<b>(205,790)</b>	<b>(411,279)</b>
<b>Total with Correlation</b>		<b>(12,938)</b>	<b>(325,133)</b>	<b>(650,197)</b>	<b>(7,928)</b>	<b>(202,197)</b>	<b>(404,226)</b>

## Notes to the Interim Financial Statements

The sensitivity analysis was performed based on the scenarios developed for the respective dates, always considering the market information of the time and scenarios that would negatively affect our positions.

**Scenario 1:** Based on the market information (BM&FBovespa, Anbima, etc.), 1-basis point shocks were applied for the interest rate and 1% variation for prices. Example: a 12.50% p.a. scenario was applied to a fixed 1-year interest rate of 12.49%;

**Scenario 2:** Shocks of 25% were applied based on the market. Example: a 15.61% p.a. scenario was applied to a fixed 1-year interest rate of 12.49%; The scenarios for the remaining risk factors also represented a shock of 25% in the respective curves or prices; and

**Scenario 3:** Shocks of 50% were applied based on the market. Example: a 18.74% p.a. scenario was applied to a fixed 1-year interest rate of 12.49%; The scenarios for the remaining risk factors also represented a shock of 50% in the respective curves or prices.

### 16. FAIR VALUE ESTIMATE

The Company considered the same calculation methodology and assumptions established in the financial statements of December 31, 2015 to measure the fair value of assets and liabilities for the period.

The assets and liabilities measured by fair value are detailed below:

	September 30, 2016	
	Consolidated <sup>(1)</sup>	
	Carrying amount	Level 1
<b>Financial Assets</b>		
Available-for-sale securities	1,293,300	1,293,300
<b>Total Assets</b>	<b>1,293,300</b>	<b>1,293,300</b>

	December 31, 2015	
	Consolidated <sup>(1)</sup>	
	Carrying amount	Level 1
<b>Financial Assets</b>		
Available-for-sale securities	791,734	791,734
<b>Total Assets</b>	<b>791,734</b>	<b>791,734</b>

(1) The Company does not have assets measured at fair value based on levels 2 and 3 and liabilities of levels 1, 2 and 3.

### 17. OTHER INFORMATION

- a) Under Current Liabilities, "Other Obligations" totaling R\$26,500 (December 31, 2015 – R\$26,787), in both the Parent Company and Consolidated statements, substantially refer to the share fractions of the deliberative AGE grouping of April 30, 2004, which were sold in a BM&FBovespa bid on July 14, 2004, and respective amounts were credited or provided to shareholders; and under Non-Current Liabilities, "Other Obligations" in the Parent Company refer to the loan agreement entered into with its indirect subsidiary BRUMADO, maturing on March 30, 2018, totaling R\$140,834 (December 31, 2015 – R\$127,542), plus the Interbank Deposit Certificate (CDI) variation. The Company may fully or partially anticipate the settlement, at its sole discretion, without prejudice to the established conditions; and

## Notes to the Interim Financial Statements

- b) General and Administrative Expenses, in the Parent Company, refer to Personnel Expenses, totaling R\$3,057 on September 30, 2016 (September 30, 2015 – R\$2,681) and R\$1,154 in 3Q16 (3Q15 – R\$1,648) and Other General and Administrative Expenses, totaling R\$8,694 on September 30, 2016 (September 30, 2015 – R\$3,715) and R\$6,142 in 3Q16 (3Q15 – R\$1,242). In the Consolidated, it refers to Personnel Expenses totaling R\$3,057 on September 30, 2016 (September 30, 2015 – R\$2,681) and R\$1,154 in 3Q16 (3Q15 – R\$1,648) and Other General and Administrative Expenses, totaling R\$9,087 on September 30, 2016 (September 30, 2015 – R\$3,853) and R\$6,326 in 3Q16 (3Q15 – R\$1,254). The variation in the third quarter and on September 30, 2016 was basically influenced by expenses with a fine on the exemption of unpaid PIS/Cofins taxes on Interest on Equity (IOE), in August 2014, due to the suspension of the enforceability of the outstanding debit at the time.

### 18. SUBSEQUENT EVENTS

On October 31, 2016, pursuant to the “Minimum Annual Compensation Policy” approved on August 11, 2016, a proposal was submitted to the Board of Directors maintaining the minimum compensation at zero for 2016, due to market volatility, which has been directly impacting the result of its investees. After the end of the current fiscal year, Management will reassess the distribution of profit based on the result for the year and the applicable legal and statutory provisions.

### 19. ADDITIONAL INFORMATION ON INVESTMENTS WITH SIGNIFICANT INFLUENCE

Below, the summary of the Statement of Financial Position and Statement of Income published by VALEPAR and VALE, not representing BRADESPAR’s proportional interest:

STATEMENT OF FINANCIAL POSITION				
	VALE		VALEPAR	
	09.30.2016	12.31.2015	09.30.2016	12.31.2015
<b>ASSETS</b>				
Current	63,324,415	60,417,700	6,614	11,118
Non-Current:				
Long-Term	34,144,939	41,601,648	2,814,465	2,679,243
Investments	12,908,046	11,481,466	43,452,827	44,203,225
Property, Plant and Equipment	198,430,422	211,259,131	-	-
Intangible	22,589,146	20,789,490	3,072,669	3,072,669
<b>TOTAL</b>	<b>331,396,968</b>	<b>345,549,435</b>	<b>49,346,575</b>	<b>49,966,255</b>
<b>LIABILITIES AND EQUITY</b>				
Current	35,206,729	41,182,018	3,169	2,705
Non-Current	160,400,176	164,947,827	2,188,531	2,082,374
Equity	135,790,063	139,419,590	47,154,875	47,881,176
<b>TOTAL</b>	<b>331,396,968</b>	<b>345,549,435</b>	<b>49,346,575</b>	<b>49,966,255</b>
Direct and Indirect Interest	5.88%	5.88%	17.44%	17.44%

STATEMENT OF INCOME								
	VALE <sup>(1)</sup>				VALEPAR			
	3Q16	3Q15	09.30.2016	09.30.2015	3Q16	3Q15	09.30.2016	09.30.2015
Income from the sale of goods and/or services	23,772,495	23,350,148	69,042,259	62,817,832	-	-	-	-
Cost of goods sold and services rendered	(16,082,354)	(18,024,690)	(49,340,136)	(48,980,541)	-	-	-	-
<b>Gross Profit</b>	<b>7,690,141</b>	<b>5,325,458</b>	<b>19,702,123</b>	<b>13,837,291</b>	-	-	-	-
Operating Income / (Expenses)	(1,204,937)	(2,439,706)	(8,399,708)	(5,519,657)	(2,363)	636,557	(4,219)	538,824
Net Financial Result	(3,413,924)	(25,847,358)	8,431,993	(37,901,123)	10,289	183,248	29,019	37,611
Equity Income	149,399	(1,204,337)	1,396,498	(1,361,654)	620,846	(2,245,547)	3,955,966	(3,726,710)
<b>Earnings before Income Taxes</b>	<b>3,220,679</b>	<b>(24,165,943)</b>	<b>21,130,906</b>	<b>(30,945,143)</b>	<b>628,772</b>	<b>(1,425,742)</b>	<b>3,980,766</b>	<b>(3,150,275)</b>
Income Tax and Social Contribution	(1,355,116)	17,077,458	(9,298,098)	19,165,888	(16)	(110)	(703)	(33,578)
<b>Consolidated Income / Loss for the Period</b>	<b>1,865,563</b>	<b>(7,088,485)</b>	<b>11,832,808</b>	<b>(11,779,255)</b>	<b>628,756</b>	<b>(1,425,852)</b>	<b>3,980,063</b>	<b>(3,183,853)</b>
Attributed to Parent Company Shareholders	1,842,181	(6,663,009)	11,738,180	(11,057,929)	-	-	-	-
Attributed to Minority Interest	23,382	(425,476)	94,628	(721,326)	-	-	-	-

## Notes to the Interim Financial Statements

The effect in VALE's result in 3Q16 was mainly due to:

- Exchange and monetary variation losses totaling R\$1.1 billion (3Q15 - R\$18.5 billion).

### **Samarco's agreement entered into with federal and state governments is ratified by the court**

As reported by Vale S.A., the Regional Federal Court of the 1st region ratified, on May 5, the agreement entered into by Samarco, its parent companies (Vale and BHP Billiton) and federal and Minas Gerais and Espírito Santo state authorities, as well as other government authorities for the recovery of the areas affected by the rupture of the Fundão dam. The document lists 41 social, environmental and economic programs that will provide conditions for the affected area to resume to those existing prior to the rupture of the dam. It includes clear commitments, defines terms for the presentation and execution of projects and establishes transparency and accountability standards. All projects are monitored by the affected populations, external audits will be carried out and an ombudsman department will be created to assist the population. It also establishes the creation of a private foundation that will be responsible for executing all the necessary projects. In June 2016, the Superior Court of Justice granted a preliminary injunction suspending the decision from the Regional Federal Appellate Court that ratified the agreement until the definite judgment of the claim and the public interest action, which had been previously suspended due to the agreement, was restored.

On August 17, 2016, the Regional Federal Appellate Court of the 1<sup>st</sup> region denied the interlocutory appeals filed by Samarco, Vale and BHPB against said preliminary injunction and overruled the decision that ratified the Court Settlement Agreement. The preliminary injunction upheld by the Regional Federal Appellate Court of the 1<sup>st</sup> region prohibited the Defendants from transferring their mining concessions, but did not limit their production and selling activities.

The Agreement remains valid between the parties, which will continue to comply with the obligations provided for therein. Only the ratification of the Agreement was suspended.

Samarco, Vale and BHPB agreed to create a Foundation to develop and implement social and economic recovery and compensation programs, which will be funded by Samarco. If Vale and BHPB fail to comply with their obligation to contribute to the Foundation, they will be held liable, pursuant to the Agreement, in the proportion of their interest in Samarco (50% each).

On June 28, 2016, the Foundation was created by Samarco and its shareholders and its activities are expected to begin on August 1, 2016.

Samarco had expected to resume its operations in the last quarter of 2016. However, due to the current status of the necessary procedures and the difficulties related to approval of licenses by government authorities, Samarco cannot accurately estimate when its operations will be resumed. Consequently, Vale recognized in its Interim Financial Statements of June 30, 2016 a provision of R\$3.7 billion, corresponding to the best estimate of its obligation related to the Agreement.

Samarco is gradually transferring the recovery programs provided for in the Agreement to the foundation, named "Fundação Renova", which began operating in August 2016. In the quarter ended September 30, 2016, R\$146 million was transferred, discounted from the provision of R\$3,733 billion recognized in the second quarter of 2016.

On September 30, 2016, the balance of this provision totaled R\$3,649 billion, in accordance with the changes below:

Balance at June 30, 2016	3,733
Payments in the quarter	(146)
Interest accrued to result	62
Balance at September 30, 2016	3,649

At the end of each reporting period, Vale will reassess the key assumptions used by Samarco and changes will be reflected in the respective provision, where applicable.

VALE is a publicly-held company and, accordingly, it files its information with the CVM. Therefore, detailed information on the Company, as of September 30, 2016 and December 31, 2015, may be directly obtained with the CVM, on its website [www.cvm.gov.br](http://www.cvm.gov.br).

**Cid de Oliveira Guimarães**  
Accountant - CRC 1SP218369/O-0

## Other Relevant Company Information

### SHAREHOLDERS WITH MORE THAN 5% OF SHARES OF EACH KIND AND CLASS - ITR

SHAREHOLDING POSITION OF SHAREHOLDERS WITH MORE THAN 5% OF COMPANY SHARES OF EACH KIND AND CLASS, UNTIL INDIVIDUAL LEVEL						
Company: BRADESPAR S.A.					Position on 9/30/2016 (in [Units] Shares)	
Shareholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Cidade de Deus - Cia. Cial de Participações	44,883,224	36.6325	300,960	0.1326	45,184,184	12.9265
NCF Participações S.A.	30,388,376	24.8022	2,235,627	0.9847	32,624,003	9.3332
Fundação Bradesco	18,179,304	14.8375	-	-	18,179,304	5.2008
JGP (Funds)	-	-	12,153,100	5.3532	12,153,100	3.4768
Treasury shares	351,600	0.2870	1,162,300	0.5120	1,513,900	0.4331
Other shareholders	28,720,545	23.4409	211,172,909	93.0175	239,893,454	68.6296
<b>Total</b>	<b>122,523,049</b>	<b>100.00</b>	<b>227,024,896</b>	<b>100.00</b>	<b>349,547,945</b>	<b>100.00</b>

LEGAL ENTITY SHARE CAPITAL DISTRIBUTION (COMPANY SHAREHOLDER), UNTIL INDIVIDUAL LEVEL						
Name: CIDADE DE DEUS CIA. COMERCIAL DE PARTICIPAÇÕES					Position on 9/30/2016 (in [Units] Shares)	
Shareholder / Quotaholder	Common Shares / Quotas		Preferred Shares / Quotas		Total	
	Quantity	%	Quantity	%	Quantity	%
Nova Cidade de Deus Particip. S.A	3,471,820,355	45.1803	-	-	3,471,820,355	45.1803
Fundação Bradesco	2,566,968,222	33.4051	-	-	2,566,968,222	33.4051
Lina Maria Aguiar	658,027,532	8.5632	-	-	658,027,532	8.5632
Lia Maria Aguiar	496,778,330	6.4648	-	-	496,778,330	6.4648
Others	490,774,593	6.3867	-	-	490,774,593	6.3867
<b>Total</b>	<b>7,684,369,032</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>7,684,369,032</b>	<b>100.00</b>

LEGAL ENTITY SHARE CAPITAL DISTRIBUTION (COMPANY SHAREHOLDER), UNTIL INDIVIDUAL LEVEL						
Name: NOVA CIDADE DE DEUS PARTICIPAÇÕES S.A.					Position on 9/30/2016 (in [Units] Shares)	
Shareholder / Quotaholder	Common Shares / Quotas		Preferred Shares / Quotas		Total	
	Quantity	%	Quantity	%	Quantity	%
Fundação Bradesco	138,036,211	46.3016	315,902,805	100.00	453,939,016	73.9282
BBD Participações S.A.	160,087,583	53.6984	-	-	160,087,583	26.0718
<b>Total</b>	<b>298,123,794</b>	<b>100.00</b>	<b>315,902,805</b>	<b>100.00</b>	<b>614,026,599</b>	<b>100.00</b>

LEGAL ENTITY SHARE CAPITAL DISTRIBUTION (COMPANY SHAREHOLDER), UNTIL INDIVIDUAL LEVEL						
Name: NCF PARTICIPAÇÕES S.A.					Position on 9/30/2016 (in [Units] Shares)	
Shareholder / Quotaholder	Common Shares / Quotas		Preferred Shares / Quotas		Total	
	Quantity	%	Quantity	%	Quantity	%
Fundação Bradesco	284,607,387	25.1288	1,009,413,289	100.0000	1,294,020,676	60.4116
Cidade de Deus - Cia. Cial de Participações	846,292,071	74.7216	-	-	846,292,071	39.5093
Nova Cidade de Deus Particip. S.A.	1,694,413	0.1496	-	-	1,694,413	0.0791
<b>Total</b>	<b>1,132,593,871</b>	<b>100.00</b>	<b>1,009,413,289</b>	<b>100.00</b>	<b>2,142,007,160</b>	<b>100.00</b>

## Other Relevant Company Information

LEGAL ENTITY SHARE CAPITAL DISTRIBUTION (COMPANY SHAREHOLDER), UNTIL INDIVIDUAL LEVEL						
Name: BBD PARTICIPAÇÕES S.A.					Position on 9/30/2016 (in [Units] Shares)	
Shareholder / Quotaholder	Common Shares / Quotas		Preferred Shares / Quotas		Total	
	Quantity	%	Quantity	%	Quantity	%
NCD Participações Ltda	-	-	71,514,058	53.8223	71,514,058	23.1379
Treasury	75,490,888	42.8423	7,008,874	5.2750	82,499,762	26.6923
Lázaro de Mello Brandão	12,821,000	7.2761	-	-	12,821,000	4.1482
Others	87,894,411	49.8815	54,347,679	40.9027	142,242,090	46.0216
<b>Total</b>	<b>176,206,299</b>	<b>100.00</b>	<b>132,870,611</b>	<b>100.00</b>	<b>309,076,910</b>	<b>100.00</b>

## POSITION OF CONTROLLERS, ADMINISTRATORS AND OUTSTANDING SHARES

CONSOLIDATED SHAREHOLDING POSITION OF CONTROLLERS AND ADMINISTRATORS AND OUTSTANDING SHARES						
Position on 9/30/2016						
Shareholder	Quantity of Common Shares (in Units)	%	Quantity of Preferred Shares (in Units)	%	Total of Shares (in Units)	%
<b>Shareholder</b>	95,125,912	77.6392	3,264,600	1.4380	98,390,512	28.1479
<b>Administrators</b>						
Board of Directors	440,976	0.3599	987,576	0.4350	1,428,552	0.4087
Board of Executive Officers	-	-	69,190	0.0305	69,190	0.0198
<b>Treasury Shares</b>	351,600	0.2870	1,162,300	0.5120	1,513,900	0.4331
<b>Other Shareholders</b>	26,604,561	21.7139	221,541,230	97.5846	248,145,791	70.9905
<b>Total</b>	<b>122,523,049</b>	<b>100.00</b>	<b>227,024,896</b>	<b>100.00</b>	<b>349,547,945</b>	<b>100.00</b>
<b>Outstanding Shares</b>	26,604,561	21.7139	221,541,230	97.5846	248,145,791	70.9905

CONSOLIDATED SHAREHOLDING POSITION OF CONTROLLERS AND ADMINISTRATORS AND OUTSTANDING SHARES						
Position on 9/30/2015 (12 months ago)						
Shareholder	Quantity of Common Shares (in Units)	%	Quantity of Preferred Shares (in Units)	%	Total of Shares (in Units)	%
<b>Controller</b>	95,125,912	77.6392	3,264,600	1.4380	98,390,512	28.1479
<b>Administrators</b>						
Board of Directors	693,617	0.5661	988,393	0.4354	1,682,010	0.4812
Board of Executive Officers	-	-	13,155	0.0058	13,155	0.0038
<b>Treasury Shares</b>	351,600	0.2870	1,162,300	0.5120	1,513,900	0.4331
<b>Other Shareholders</b>	26,351,920	21.5077	221,596,448	97.6089	247,948,368	70.9340
<b>Total</b>	<b>122,523,049</b>	<b>100.00</b>	<b>227,024,896</b>	<b>100.00</b>	<b>349,547,945</b>	<b>100.00</b>
<b>Outstanding Shares</b>	26,351,920	21.5077	221,596,448	97.6089	247,948,368	70.9340

## Unqualified Special Review Report

### Independent Auditors' Report on Review of Interim Financial Information

To the Board of Directors and Shareholders of  
Bradespar S.A.  
São Paulo - SP

#### Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Bradespar S.A. ("the Company"), included in the Quarterly Information Form - ITR for the three-month period then ended September 30, 2016, which comprise the statement of financial position as of September 30, 2016 and the related statements of income, comprehensive income for the three and nine-month period then ended, statements of changes in shareholders' equity and cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation of these individual and consolidated interim financial information in accordance with the accounting standard CPC 21(R1) and IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board - IASB, as well as the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission ("CVM"), applicable to the preparation of the quarterly information. Our responsibility is to express a conclusion on these individual and consolidated interim financial information based on our review.

#### Scope of Review

We conducted our review in accordance with the Brazilian and International Standard on Review of Interim Financial Information (NBC TR 2410 - *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion on the interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34 applicable to the preparation of the Quarterly Information Form - ITR, and presented in accordance with the standards issued by the CVM.

#### Other matters

#### Statements of value added

We have also reviewed the individual and consolidated statements of value added for the nine-month period then ended September 30, 2016. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information Form - ITR and are considered supplementary information under International Financial Reporting Standards (IFRS), which do not require the presentation of the statement of value added. These statements have been subjected to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the individual and consolidated interim financial information taken as a whole.

Osasco, November 10, 2016

*Original report in Portuguese signed by*  
KPMG Auditores Independentes  
CRC 2SP028567/O-1 F SP

André Dala Pola  
Contador CRC 1SP214007/O-2

## Fiscal Council's Report

The undersigned, members of the Bradespar S.A. Fiscal Council, in the exercise of its legal and statutory duties, analyzed the Management Comments on the Company's performance and individual and consolidated financial statements relating to the third quarter of 2016, prepared in accordance with the Technical Standards of the Comitê de Pronunciamentos Contábeis - CPC and in view of the Review Report prepared by KPMG Auditores Independentes on the aforementioned Financial Statements, presented without reservations, concluding that they are not aware of any facts that would lead them to believe that the consolidated interim financial information included on information of third quarter of 2016 were not prepared, in all material respects, in accordance with CPC 21 and IAS 34, applicable to the preparation of the Quarterly Information - ITR and presented in accordance with the rules issued by the Securities and Exchange.

Osasco, SP, November 10, 2016

- Ariovaldo Pereira
- João Batista de Moraes
- Luis Claudio de F. Coelho Pereira
- Marcos Antônio Martins
- Walter Luis Bernardes Albertoni

## **Officers' Statement on the Financial Statements**

### **Chief Executive Officer's and Investor Relations Officer's Statement**

I, Fernando Jorge Buso Gomes, declare that:

1. based on my knowledge, the planning presented by the auditors and in the subsequent discussions on the audit results, I agree with the conclusions expressed in the report prepared by KPMG Auditores Independentes with no disagreement; and

2. I reviewed the report of Bradespar's Financial Statements for the period ended on September 30, 2016, and based on the subsequent discussions, I agree that such statements properly reflect all the relevant aspects and the financial position corresponding to the period presented.

São Paulo, SP, November 10, 2016.

Fernando Jorge Buso Gomes  
**Chief Executive Officer and Investor Relations Officer**

## Officers' Statements on the Independent Auditor's Report

### Officer's Statement

I, Sérgio Alexandre Figueiredo Clemente, declare that:

1. based on my knowledge, the planning presented by the auditors and in the subsequent discussions on the audit results, I agree with the conclusions expressed in the report prepared by KPMG Auditores Independentes with no disagreement; and

2. I reviewed the report of Bradespar's Financial Statements for the period ended on September 30, 2016, and based on the subsequent discussions, I agree that such statements properly reflect all the relevant aspects and the financial position corresponding to the period presented.

São Paulo, SP, November 10, 2016.

Sérgio Alexandre Figueiredo Clemente  
**Officer**